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## **Agriculture & Forestry GHG Reduction Opportunities**

Key to Indicators: These are rough estimates based on experience or studies in AZ or elsewhere and are intended to start off discussion. Actual AZ-based estimates will be developed for options that stakeholders decide to pursue in more detail, and may differ significantly from the preliminary indicators provided here.

| Indicative | Potential | <b>Emission</b> | Reductions* - |
|------------|-----------|-----------------|---------------|
|------------|-----------|-----------------|---------------|

High (H): Potentially capable of saving at least 1 Million Metric Tons CO2e per year by 2020 (~1% of current AZ emissions)

Medium (M): Potentially capable of saving from 0.1 to 1 Million Metric Tons per vear by 2020

Low (L): Unlikely to yield more than 0.1 Million Metric Tons CO2e per year by 2020

Uncertain (U): Too many unknowns to estimate

Indicative cost (\$/tCO2e)

High (H): \$50/tCO2e or above

Medium (M): \$5-50/tCO2e

Low (L): \$5/tCO2e or lower

Negative (Neg): Cost Savings

\* Several measures overlap in terms of the emissions they would reduce. They may target the same emissions sources, but using different implementation pathways. The estimates shown here assume that measures would be implemented independently from, or instead of, other measures.

## **Indication of Priorities:**

- **High:** High priority items are deemed deserving of considerable further analysis.
- **Medium:** Medium priority items will be carried forward, with the extent of further consideration and analysis to be determined later.

• Low: Low priority items will be moved to a separate list as options to be potentially considered at a later time.

|   | Priority:<br>High, Med, | Implement.<br>Level &<br>Lead | Potential<br>Emission | Indicative<br>Cost<br>(\$/tCO2 | Other Information, Co-benefits, Feasibility   |
|---|-------------------------|-------------------------------|-----------------------|--------------------------------|---|
| Agriculture – Production of Fuels and Electricity | Low                     | Agency                        | Reductions            | removed                        | Consideration, Examples of Current Activities |

|     |  |                                | Implement.                |                                     | Indicative                  |   |
|-----|--|--------------------------------|---------------------------|-------------------------------------|-----------------------------|---|
|     |  | Priority:<br>High, Med,<br>Low | Level &<br>Lead<br>Agency | Potential<br>Emission<br>Reductions | Cost<br>(\$/tCO2<br>removed | Other Information, Co-benefits, Feasibility Consideration, Examples of Current Activities   |
| 1.1 | Manure Digesters (methane recovery and electricity production)         | 2011                           | State, Local<br>Ag. Ext.  |                                     |                             | Linked with Option 2.2 below  |
| 1.2 | Biodiesel Production (incentives for feedstocks and production plants) |                                | State                     | Medium                              | Med to<br>High              | <ul> <li>Production from both virgin and waste<br/>vegetable oils;</li> <li>Seed oil production in AZ feasible (e.g. soy<br/>and rapeseed)?</li> </ul>  |
| 1.3 | Biomass Feedstocks for Electricity or<br>Steam Production              |                                | State                     | Low                                 | Ŷ                           | <ul> <li>Need to identify viable feedstocks and volumes [e.g., crop residue (wheat straw, corn stover) or energy crops (switchgrass);</li> <li>Linkage to Energy Supply TWG to determine availability of biomass plants</li> <li>Linkage to RCI TWG to identify available capacity for biomass generated steam</li> </ul>           |
| 1.4 | Ethanol Production   |                                | State                     | Medium                              | Med to<br>High              | Current debate on the energy required for<br>ethanol production   |
| 1.5 | Convert Diesel Farm Equipment to LNG/CNG or Hybrid Technology          |                                | State                     | Low                                 | Med to<br>High              | <ul> <li>LNG/CNG engines or engine conversions<br/>reduce BC emissions</li> <li>Availability of diesel hybrid equipment for<br/>farm applications?</li> </ul>   |
| 1.6 | (Additional option, if/as suggested)                                   |                                |                           |                                     |                             | •   |
| 1.7 | (Additional option, if/as suggested)                                   |                                |                           |                                     |                             | •   |
|     | Agriculture – Fertilizer and<br>Manure Management                      |                                |                           |                                     |                             |   |
| 2.1 | Nutrient Management (improve efficiency of fertilizer use)             |                                | State, Local<br>Ag. Ext.  | Medium                              | Low                         | <ul> <li>Note Ag. Best Management Practices under<br/>ARS §49-457 (do these extend beyond dust<br/>control and water efficiency measures?)</li> <li>Linked to Option 3.4 below.</li> </ul>  |
| 2.2 | Manure Management (practices to reduce methane emissions)              |                                | State, Local<br>Ag. Ext.  | Medium                              | ?                           | <ul> <li>Linked with Option 1.1 above.</li> <li>Existing waste containment requirements for animal feeding operations &gt; or = 1,000 head.</li> <li>Could include composting and other measures.</li> <li>Most of the benefit achieved at dairies.</li> <li>Co-benefits include reduction of ammonia and VOC emissions.</li> </ul> |

|     |  |                   | Implement.                                    |                       | Indicative       |   |
|-----|--|-------------------|---|-----------------------|------------------|---|
|     |  | Priority:         | Level &<br>Lead                               | Potential<br>Emission | Cost<br>(\$/tCO2 | Other Information Co benefite Feedibility   |
|     |  | High, Med,<br>Low | Agency  | Reductions            | removed          | Other Information, Co-benefits, Feasibility Consideration, Examples of Current Activities   |
| 2.3 | Change Feedstocks (optimize nitrogen                                       |                   | State, Local                                  | Low to                | Low              | Most of the benefit achieved at feedlots.   |
|     | for N₂O reduction)   |                   | Ag. Ext.                                      | Medium                |                  | Co-benefits include reduction in ammonia emissions.   |
| 2.4 | Reduce Non-Farm (Residential and Commercial) Fertilizer Use                |                   | State   | ?                     | ?                | Emissions from non-farm application are not currently in the inventory; unclear what the reductions and costs would be.   |
| 2.5 | (Additional option, if/as suggested)                                       |                   |   |                       |                  | •   |
| 2.6 | (Additional option, if/as suggested)                                       |                   |   |                       |                  | •   |
|     | Agriculture – Soil Carbon  |                   |   |                       |                  |   |
|     | Management   |                   |   |                       |                  |   |
| 3.1 | Conservation Tillage/No-Till (carbon sequestration and reduced energy use) |                   | State, Local<br>Ag. Ext.                      | Medium                | Low              | Boll Weevil eradication program requires cotton residue to be plowed under (consequential tilled part applicable to cotton).  |
| 3.2 | Reduce Summer Fallow (increase soil C                                      |                   | State, Local                                  | ?                     | ?                | <ul><li>(conservation tillage not applicable to cotton)</li><li>Applicability to AZ?</li></ul>  |
| 5.2 | content, reduce N <sub>2</sub> O emissions)                                |                   | Ag. Ext.                                      | ·                     | :                | Need estimates of fallow summer acreage   |
| 3.3 | Increase Winter Cover Crops (increase                                      |                   | State, Local                                  | ?                     | ?                | Applicability to AZ?  |
|     | soil C content, increase soil N content)                                   |                   | Ag. Ext.                                      |                       |                  | Need estimates of winter acreage available for cover crops  |
| 3.4 | Improve Water and Nutrient Use (to minimize soil C loss)                   |                   | State, Local<br>Ag. Ext.                      | Low                   | Low              | Linked to Option 2.1 above; Suggest combining these two.  |
| 3.5 | Rotational Grazing/Improve Grazing Crops and/or Management                 |                   | State, Local<br>Ag. Ext.                      | Low                   | Low              | Applicability to AZ?  |
| 3.6 | (Additional option, if/as suggested)                                       |                   |   |                       |                  | •   |
|     | Agriculture – Land Use Change  |                   |   |                       |                  |   |
| 4.1 | Convert Land to Grassland or Forest  |                   | State   | Medium                | ?                | Opportunities for conversion in AZ?   |
| 4.2 | Reduce Permanent Conversion of Farm and Rangelands to Developed Uses       |                   | State,<br>County, City<br>Planning<br>Offices | High                  | ?                | <ul> <li>Reductions occur both from higher retention of carbon in soil and lower transportation activity.</li> <li>Linked to Option 4.3.</li> <li>Linked to Smart Growth Options in the TLU TWG.</li> </ul> |
| 4.3 | (Additional option, if/as suggested)                                       |                   |   |                       |                  | •   |
| 4.4 | (Additional option, if/as suggested)                                       |                   |   |                       |                  | •   |
|     | <b>Agriculture – Farming Practices</b>                                     |                   |   |                       |                  |   |

|            |   |                                | Implement.                        |                                     | Indicative                  |   |
|------------|---|--------------------------------|-----------------------------------|-------------------------------------|-----------------------------|---|
|            |   | Priority:<br>High, Med,<br>Low | Level &<br>Lead<br>Agency         | Potential<br>Emission<br>Reductions | Cost<br>(\$/tCO2<br>removed | Other Information, Co-benefits, Feasibility Consideration, Examples of Current Activities                           |
| 5.1        | Organic Farming   |                                | State, Local<br>Ag. Ext.          | Medium                              | Low                         | Reductions occur via lower intensity<br>agricultural practices (nutrient/pesticide<br>application, reduced tillage) |
| 5.2        | Programs to Support Local Farming/Buy Local                               |                                | State, Local<br>Ag. Ext.          | Medium                              | ?                           | Reductions occur through lower transport related emissions.   |
| 5.3<br>5.4 | (Additional option, if/as suggested) (Additional option, if/as suggested) |                                |                                   |                                     |                             | •   |
|            | Forestry – Biomass Protection and Management                              |                                |                                   |                                     |                             |   |
| 6.1        | Forest Protection – Reduced Clearing<br>And Conversion to Nonforest Cover |                                | State, City/<br>local             | High                                | Low                         | depends on business as usual rates of land<br>clearing and viable alternatives                                      |
| 6.2        | Increase Maintenance of Urban and Residential Trees                       |                                | State, City/<br>local             | Low                                 | Low to high                 | •   |
| 6.3        | Afforestation of Nonforested Rural Lands                                  |                                | State, City/<br>local,<br>federal | Low to high                         | Low                         | depends on available acreage and risk   |
| 6.4        | Afforestation of Nonforested Urban<br>Lands                               |                                | State, City/<br>local,<br>federal | Low to high                         | Low                         | depends on available acreage and risk   |
| 6.5        | Reforestation/Restoration of Forested<br>Lands                            |                                | State, City/<br>local,<br>federal | Low to high                         | Low                         | depends on available acreage and risk   |
| 6.6        | Reforestation or Increased Stocking of Stands                             |                                | State, City/<br>local,<br>federal | Low to high                         | Low                         | depends on available acreage and risk   |
| 6.7        | Age Extension of Managed Stands   |                                | State, City/<br>local,<br>federal | Low                                 | Low to<br>high              | involves significant tradeoffs with carbon<br>savings from harvested wood products, as<br>well as ecological risk   |
| 6.8        | Thinning and Density Management of<br>Managed Stands                      |                                | State, City/<br>local,<br>federal | High                                | Low to<br>high              | cost and technology barriers to market use<br>of harvested biomass may be high; supply<br>potential is high         |
| 6.9        | Fertilization and Waste Recycling   |                                | State, City/<br>local,<br>federal | Low                                 | Low to<br>high              | site and situation specific   |

|      |  | Priority:         | Implement.<br>Level &             | Potential              | Indicative<br>Cost |   |
|------|--|-------------------|-----------------------------------|------------------------|--------------------|---|
|      |  | High, Med,<br>Low | Lead<br>Agency                    | Emission<br>Reductions | (\$/tCO2 removed   | Other Information, Co-benefits, Feasibility Consideration, Examples of Current Activities                                   |
| 6.10 | Expand Short Rotation Woody Crops (for fiber and energy)                             |                   | State, City/<br>local,<br>federal | Low to medium          | Low to<br>high     | depends on available acreage and market<br>demand   |
| 6.11 | Expanded Use of Genetically Preferred Species  |                   | State, City/<br>local,<br>federal | Low                    | Low                | primary issues in the southwest are<br>reductions of fuel load and restoration of<br>native species                         |
| 6.12 | Modified Biomass Removal Practices (reduced decay and energy use)                    |                   | State, City/<br>local,<br>federal | Low                    | ?                  | may be opportunities to use biofuels for equipment  |
|      | Fire Management and Risk Reduction<br>Programs                                       |                   | State, City/<br>local,<br>federal | High                   | Low to<br>high     | implementation and market barriers may be<br>significant, potential is high if biomass is<br>directed to constructive reuse |
|      | Forest Health Risk Reduction Programs (pest/disease, invasive species)               |                   | State, City/<br>local,<br>federal | High                   | Low to<br>high     | implementation and market barriers may be<br>significant, potential is high if biomass is<br>directed to constructive reuse |
| 6.15 | Drought Management Programs (tree selection, placement, protection)                  |                   | State, City/<br>local,<br>federal | High                   | Low to<br>high     | implementation and market barriers may be<br>significant, potential is high if biomass is<br>directed to constructive reuse |
| 6.16 | Flood and Riparian Management<br>Programs (tree selection, placement,<br>protection) |                   | State, City/<br>local,<br>federal | Low                    | Low to<br>high     | depends on available acreage  |
| 6.17 | Watershed Management Programs (stand retention, enhancement and management)          |                   | State, City/<br>local,<br>federal | Low to high            | Low to<br>high     | depends on available acreage and forest<br>health issues  |
| 6.18 | Habitat Management Programs (stand retention, enhancement and management)            |                   | State, City/<br>local,<br>federal | Low to high            | Low to<br>high     | depends on available acreage and forest<br>health issues  |
| 6.19 | (Additional option, if/as suggested)   |                   | State, City/<br>local,<br>federal |                        |                    | •   |
|      | Forestry - Wood Products and Waste   |                   |                                   |                        |                    |   |
| 7.1  | Improved Mill Waste Recovery   |                   | State, City/<br>local,<br>federal | Low to high            | Low to<br>high     | technology and market dependent   |

|     |   | Priority:<br>High, Med,<br>Low | Implement.<br>Level &<br>Lead<br>Agency | Potential<br>Emission<br>Reductions | Indicative<br>Cost<br>(\$/tCO2<br>removed | Other Information, Co-benefits, Feasibility Consideration, Examples of Current Activities                              |
|-----|---|--------------------------------|---|-------------------------------------|---|--|
| 7.2 | Improved Logging Residue Recovery   |                                | State, City/<br>local,<br>federal       | High                                | Low to<br>high                            | technology and market dependent  |
| 7.3 | Expanded Use of Small Diameter Trees for Wood Products and Energy             |                                | State, City/<br>local,<br>federal       | High                                | Low to<br>high                            | technology and market dependent  |
| 7.4 | Expanded Use of Wood Products for<br>Building Materials                       |                                | State, City/<br>local,<br>federal       | Medium to<br>high                   | Low to<br>high                            | technology and market dependent  |
| 7.5 | Expanded Use of State and Locally-<br>Grown Wood Products                     |                                | State, City/<br>local,<br>federal       | Low to high                         | Low to<br>high                            | technology and market dependent  |
| 7.6 | (Additional option, if/as suggested)  |                                |   |                                     |   | •  |
| 7.7 | (Additional option, if/as suggested)  |                                |   |                                     |   | •  |
|     | Forestry – Energy Production  |                                |   |                                     |   |  |
| 8.1 | Expanded Use of Forest Biomass<br>Feedstocks for Electricity (fuel switching) |                                | State, City/<br>local,<br>federal       | High                                | Low                                       | technology and market dependent  |
| 8.2 | Improve Use and Efficiency of Wood for<br>Direct Commercial Heat and Energy   |                                | State, City/<br>local,<br>federal       | High                                | Low                                       | technology and market dependent  |
| 8.3 | Improved Energy Capture from Wood Waste Combustion                            |                                | State, local, private                   | Low to high                         | ?   | technology and market dependent  |
| 8.4 | Expanded Landfill Methane Recapture (wood products waste)                     |                                | State, City/<br>local                   | Low                                 | Neg to<br>Low                             | Federal New Source Performance     Standards and Emissions Guidelines require     methane capture at larger landfills. |
| 8.5 | Improved Commercialization of Biomass Gasification and Combined Cycle         |                                | State, City/<br>local,<br>federal       | Low to high                         | Medium to<br>high                         | requires improved technology and market incentives   |
| 8.6 | Expand Usage and or Efficiency of Wood Waste as Residential Fuel Source       |                                | State, City/<br>local,<br>federal       | Low -<br>Medium                     | Low                                       | Overlap with RCI sector.   |
| 8.7 | (Additional option, if/as suggested)  |                                |   |                                     |   | •  |